STATEMENT OF COMMISSIONER JONATHAN S. ADELSTEIN

Re: Telecommunications Services Inside Wiring Customer Premises Equipment, CS Docket No. 95-184, Implementation of the Cable Television Consumer Protection and Competition Act of 1992: Cable Home Wiring, MM Docket No. 92-260, Clarification of the Commission's Rules and Policies Regarding Unbundled Access to Incumbent Local Exchange Carriers' Inside Wire Subloop, WC Docket No. 01-338, Report and Order and Declaratory Ruling

We often hear about the challenges of providing "last mile" connections for competitive video, voice, and broadband services, but for residents of multi-tenant buildings (referred to as MDUs) another significant challenge is often that of the last 100 feet. I support this Order which clarifies the Commission's rules for inside wiring used to serve MDUs because it should reduce the barriers of those last 100 feet and promote choice for customers of these buildings, including renters, homeowners, and small businesses.

Competition in these markets is critical as a means to constrain prices. I've often said that this Commission should do what it can within the scope of the law to facilitate increased competition because it benefits American consumers, promotes deployment of broadband networks and services, and enhances the free exchange of ideas in our democratic society. Americans living in MDUs – which often contain a disproportionate number of persons with disabilities, seniors, minorities and low income citizens – deserve to benefit from a choice of providers, too. Similarly, these citizens, like their counterparts in single unit dwellings, stand to benefit greatly from the expanded educational, career, and health opportunities that are available through broadband. Although this Order addresses two distinct legal frameworks – one for inside wiring owned by incumbent telephone companies, the other for inside wiring owned by cable system operators – the effect of both decisions is to advance the ability of new entrants to access multi-tenant buildings to provide competitive voice, video, and broadband offerings.

Even as we take these worthwhile steps, I must highlight my concern that our consumer notice rules for the use of cable inside wiring may be in need of an overhaul. Under our current rules, consumers or alternative cable providers have the option to purchase cable home wiring when the customer terminates its cable service. These rules, as written, contemplate a scenario in which only one service – a video service – could be provided over any given cable wire, and only one provider would seek to use that wire. However, technological innovations and cross-platform competition are now allowing multiple services to be provided over that same wire. Commenters have observed that, unless consumers only purchase bundles of services from either their cable or telephone company, customers may need to make decisions about which provider is entitled to use the existing wire, and which provider must install new inside wire. Just as many customer have been "slammed" by misleading long distance providers, it is easy to imagine customers being misled or confused by providers seeking to use inside wiring to provide their services. We should make revisiting our consumer notice rules a priority, so that customers do not find themselves charged expensive installation fees or unnecessarily locked into bundles.